

SBCH Program Timing

- Provide IEP-Prescribed SBCH covered health services to students.
- Qualified staff are selected for Time Study pool and Time Study process.
- Time Study sample is selected based on staff pool.
- Time Study is completed by sampled staff.
- Quarterly Time Study responses are validated.
- Statewide validated Time Study results are compiled for application in the Cost Report process.
- Submit Cost Reports with SBCH costs for staff employed by District and all purchased services/items (contracted services, purchased applicable SBCH related items, travel for SBCH services, SBCH related property costs, and all other SBCH expenditures).
- Desk Review process reviews costs and staff reported to the Time Study participant pool, and for acceptable SBCH cost items.
- Cost Report is finalized and Time Study direct efforts are applied to finalized direct costs.
- District specific Medicaid penetration rate is then applied to final direct costs.
- Final District SBCH Direct costs are compared to Interim claims and variance (Costs – Claims) amount is either paid to District at 25%, if costs exceed claims, or is recouped from District at 25%, if costs does not exceed claims.

The SBCH Time Study, Cost Reports, and Settlement processes are all related to each other. The start of the SBCH reimbursement system begins with your direct service providers working with your students and providing them the very valuable SBCH services included in their IEPs. The second step in the SBCH system is the participant selection for the Time Study. If your qualified staff are not included in the Time Study pools, then they cannot be included in the Cost Reports. All qualified staff are required to be included in the Time Study pools so that they are all available to be selected for the Time Study process. (This is the reason that in desk reviews of cost reports, many of the additional questions DSS sends out pertain to who was included on the time study in comparison to the staff on the Registers in the Cost Report.) The staff all complete their Time Study and submit either their worker log time study to DSS or complete their Random Moment with UMass. The results of the applicable Time Study system are compiled on a quarterly basis; verified for an 85% response (or compliance) rate; adjustments are done if not at the 85% rate; and after the school year, validation of the Time Study system is completed. This also results in a possible reduction to the Time Study efforts, if the supporting documentation does not validate the submissions. The state-wide compiled, validated time study efforts are then used to determine the SBCH Medicaid reimbursable costs.

SBCH Cost Reports and determination of SBCH allowable direct costs: The direct costs that are reported on the SBCH Cost Report (on the Provider Register sheets and the Worksheets) by each participating district are used to determine their Medicaid-reimbursable direct costs for SBCH using the statewide time study results for direct service providers. In the 2010-2011 school year, the direct percentage reported statewide on the time studies was 51.44% for direct service providers and 24.92% for Medicaid billing providers. In the 2011-2012 school year, the direct percentage reported statewide on the time studies was 34.84% for direct service providers and 32.14% for Medicaid billing providers. The Time Study percentages are applied to Worksheet #2 Direct Service Personnel; Worksheet #3-404 Purchased Professional and Technical Services; Worksheet #4-407 Supplies & Materials; Worksheet #5-408 Purchased Property Services; and Worksheet #9-411 All Other Expenditures.

Each district's Medicaid penetration rate is then applied to their Medicaid-reimbursable direct costs to determine their Medicaid-allowable direct costs for the SBCH program. Their Medicaid-allowable direct costs are then compared to the claimed services throughout the school year and if the interim claims are lower than their Medicaid-allowable direct costs, the resulting settlement amount is paid to the district. Conversely, if the interim claims are higher than their Medicaid-allowable direct costs, the resulting settlement amount is recouped from the district.

The application of the time study results for the Medicaid-reimbursable direct costs and the Medicaid penetration rate for the Medicaid-allowable direct costs are both outlined in the State Plan Amendment (SPA) for the School Based Child Health program.

SBCH Cost Reports and determination of SBCH allowable admin costs: The administrative costs are reported on the Admin Register sheet and the Direct Service Provider Register sheets by each participating district are used to determine their Medicaid-reimbursable admin costs for SBCH using the state-wide time study results for admin providers and direct service providers. Each time study pool has administrative activities that result in the Medicaid administrative %. In the 2010-2011 school year, the admin percentage for admin staff was 16.38% and for direct service providers was 7.5%. In the 2011-2012 school year, the admin percentage for admin staff was 10.27%, for direct service providers was 3.87%, and for Medicaid billing providers was 5.84%. The Time Study percentages are applied to Worksheet #2a Administrative Staff. Also included in the determination of admin costs is the depreciation for equipment and building and improvements, with no time study effort application.

Each district's Medicaid penetration rate is then applied to their Medicaid-reimbursable administrative costs to determine their Medicaid-allowable admin costs for the SBCH program. Since the admin claim is done at the final settlement, the result is the payment of the admin claim at the 25% rate, similar to the payment percentage on the direct costs.